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## INTERNATIONAL

### Trump to tap William Hagerty as ambassador to Japan

Most papers reported on the disclosure by several sources involved in U.S.-Japan relations that President-elect Trump is expected to nominate William Hagerty, a key member of his transition team, as ambassador to Japan. According to the reports, this plan has already been conveyed to the Japanese government. The Tennessee-based businessman reportedly lived in Tokyo from the late 1980s through the early 1990s when he was employed by the Boston Consulting Group. The papers said he has strong connections with the Republican Party, as he was a White House staff member under the George H. W. Bush administration and has supported several Republican presidential candidates, including Mitt Romney and Jeb Bush.

While claiming that Hagerty had a strong desire to assume the Tokyo post, Nikkei said he is not a diplomatic expert and does not appear to be very familiar with Japan. According to the report, his appointment was a “reward” from the President-elect for Hagerty’s contributions to his presidential campaign. The paper expressed concern that Hagerty may not be able to develop strong connections with the Trump-led White House, marking a contrast to departing Ambassador Kennedy, who has established solid personal bonds with President Obama.

### Trump economic team embraces “protectionism,” “deregulation”

Yomiuri took up the Trump administration’s economic team lineup, including USTR-designate Robert Lighthizer and National Trade Council chief-designate Peter Navarro, noting that they are apparently advocating “protectionism” and “deregulation.” The paper projected that the incoming U.S. administration will not maintain the Obama administration’s “pro-free trade” and “pro-environment”

approaches. Mainichi published a similar story, saying that although the lineup of the Trump economic team represents his “America-first” policy, if these advisors take a hard line toward China, it may backfire by hurting the U.S. economy on account of the deep bilateral economic connections.

In related stories, Mainichi and Tokyo Shimbun took up an announcement by Ford Motor that it has cancelled its plan to move assembly lines to Mexico apparently in response to President-elect Trump’s criticism, noting that Japanese automakers are bracing for the possibility of being targeted next as they have built a number of assembly lines in Mexico for exporting vehicles to the U.S. According to JETRO, about 80% of the 1.12 million cars that were assembled by Japanese manufacturers in Mexico in 2014 were exported to the U.S.

### **Vice foreign ministers of Japan, U.S., ROK to meet in Washington**

Yomiuri reported on the MOFA announcement on Wednesday that Vice Foreign Minister Sugiyama will visit Washington today for talks with Deputy Secretary of State Blinken and ROK First Vice Foreign Minister Lim to confirm trilateral coordination in dealing with North Korea and China. In his planned bilateral talks with his South Korean counterpart, the Japanese diplomat is expected to lodge a protest against the recent installation of a comfort women statue in Busan.

### **ROK to deal with Japan “resolutely” over history issues**

Asahi took up a new year’s business report submitted to the South Korean prime minister on Wednesday by the Ministry of Foreign Affairs and Trade, in which the ministry mentioned its “resolute response” to history issues in dealing with Japan. This statement was apparently made in response to mounting criticism that the Park administration has been “weak-kneed” toward Japan over the comfort women issue. The ministry report still said it will implement the bilateral comfort women pact with Tokyo faithfully. Pointing out that a major rally was held yesterday in front of the Japanese Embassy in Seoul on Wednesday to protest the comfort women accord, the daily quoted a diplomatic source based in Seoul as saying that the Park administration has asked Japan and other concerned parties for “diplomatic consideration” by not playing up Japan-ROK coordination in order to tamp down anti-Japanese sentiment among the public.

### **China increases naval operations near Senkakus following South China Sea verdict**

Mainichi wrote that in 2016 Chinese government ships entered Japan’s territorial waters around the Senkaku Islands 121 times, the second highest number ever. China’s naval operations in the vicinity of the disputed outcrops have increased following the verdict by the Permanent Court of Arbitration against China’s claims in the South China Sea last summer.

### **“Clash of titans” looming in the South China Sea**

Sankei front-paged a U.S. Navy plan to deploy a carrier battle group led by the USS Carl Vinson in the Western Pacific, speculating that the U.S. flotilla may face off with a Chinese fleet centered around its first aircraft carrier “Liaoning” near the South China Sea right around the time when

President Trump is inaugurated on Jan. 20. The U.S. nuclear flattop is expected to depart San Diego today. The daily said the Chinese convoy is likely to stay in the area for a while to conduct training to counter the U.S. military's "freedom of navigation" operations.

### **Japanese companies seeking oil interests in Iran**

Sankei reported that five Japanese enterprises, including INPEX Corp., are planning to enter negotiations with the National Iranian Oil Company for obtaining oil drilling concessions at Azadegan and other oilfields. The Japanese petroleum firm relinquished its business interests in Azadegan in 2010 in response to U.S. sanctions. While noting that Japan will be able to diversify its energy suppliers if these firms are given rights to develop oilfields in Iran, the paper projected that their business in the Middle East nation might suffer a setback again since President-elect Trump has been calling for a review of the landmark Iran nuclear accord in 2015 that opened the way for Japan and other foreign firms to reenter the Iranian market.

### **Japan, Russia to expand diplomatic dialogue**

Nikkei wrote that Japan and Russia are set to expand the scope of their diplomatic dialogue to include UN affairs and international economic cooperation, in addition to such fields as arms control, nonproliferation, and European affairs. The Japanese side is hopeful that increased diplomatic exchanges with Moscow will help achieve a breakthrough in the Northern Territories dispute.

## **SECURITY**

### **Aerial refueling training involving Ospreys to be resumed tomorrow**

Yomiuri focused on the disclosure by a GOJ source that the U.S. military is set to resume aerial refueling training involving the Futenma-based MV-22s on Friday at the earliest, projecting that the Defense Ministry is likely to convey this policy to the Okinawa prefectural government today. Following the Osprey accident off Nago last month, the U.S. military has pledged to enforce thorough measures to prevent a recurrence, such as simulated refueling practice on the ground for pilots, before resuming refueling drills. Tokyo Shimbun ran a similar story, quoting Chief Cabinet Secretary Suga as saying on a TV program last night that he has not heard about this plan and that the training will only be resumed after the U.S. military has provided a satisfactory explanation.

### **U.S. to move FCLP training to Iwakuni**

According to Yomiuri, the GOJ informed concerned authorities in Yamaguchi yesterday that the U.S. military plans to conduct at MCAS Iwakuni field carrier landing practice (FCLP) by NAF Atsugi-based carrier-borne aircraft for a few months beginning in February. The daily explained that according to the updated bilateral "Roadmap Agreement" on U.S. force realignment, Atsugi-based carrier squadrons will be relocated to Iwakuni in 2017.

## POLITICS

### Conspiracy legislation to be submitted to Diet

Tokyo Shimbun claimed in a front-page article that the GOJ is considering submitting legislation to penalize conspiracy to commit crimes such as terrorism in the upcoming regular Diet session to be convened on Jan. 20. A draft conspiracy bill is reportedly included in a list of legislation that the GOJ plans to submit to the parliament. An unnamed high-ranking GOJ official was quoted as saying it is time for the legislation to be submitted to the Diet in preparation for the 2020 Tokyo Olympics. The daily said the Abe administration chose not to submit it to the autumn Diet session last year in order to prioritize the enactment of the TPP bills, adding that the legislation is necessary for Japan to accede to the United Nations Convention Against Transnational Organized Crime but the Komeito party has been negative about it.

